

HOUSE BILL No. 1463

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-32.

Synopsis: Charity gaming. Allows a school to obtain an annual license to conduct not more than 20 allowable events in a calendar year. Voids certain proposed rules regarding charity gaming. Provides that the fee to renew an annual school license is \$200.

Effective: July 1, 2003.

**Whetstone, Adams T, Saunders,
Lawson L**

January 15, 2003, read first time and referred to Committee on Public Policy, Ethics and Veterans Affairs.

C
o
p
y



First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1463

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 4-32-6-22.5 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2003]: **Sec. 22.5. "School" means a school corporation or an**
- 4 **accredited nonpublic school.**
- 5 SECTION 2. IC 4-32-9-2 IS AMENDED TO READ AS FOLLOWS
- 6 [EFFECTIVE JULY 1, 2003]: Sec. 2. Except as provided in ~~section~~
- 7 **sections 3 and 3.5** of this chapter, a qualified organization must obtain
- 8 a license from the department to conduct an allowable event.
- 9 SECTION 3. IC 4-32-9-3.5 IS ADDED TO THE INDIANA CODE
- 10 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 11 1, 2003]: **Sec. 3.5. A school may apply for an annual license from**
- 12 **the department to conduct not more than twenty (20) allowable**
- 13 **events in a calendar year. A school holding an annual license issued**
- 14 **under section 5.5 of this chapter is not required to obtain a bingo**
- 15 **license, special bingo license, charity game night license, raffle**
- 16 **license, door prize drawing license, or festival license before**
- 17 **holding a particular event.**



C
o
p
y

SECTION 4. IC 4-32-9-4 IS AMENDED TO READ AS FOLLOWS
 [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) Each organization applying
 for a bingo license, special bingo license, charity game night license,
 raffle license, door prize drawing license, **an annual school license**, or
 festival license must submit to the department a written application on
 a form prescribed by the department.

(b) The application must include the information that the
 department requires, including the following:

- (1) The name and address of the organization.
- (2) The names and addresses of the officers of the organization.
- (3) The type of event the organization proposes to conduct.
- (4) The location at which the organization will conduct the bingo
 event, charity game night, raffle event, door prize event, or
 festival.
- (5) The dates and times for the proposed bingo event or events,
 charity game night, raffle event, door prize event, or festival.
- (6) Sufficient facts relating to the organization or the
 organization's incorporation or founding to enable the department
 to determine whether the organization is a qualified organization.
- (7) The name of each proposed operator and sufficient facts
 relating to the proposed operator to enable the department to
 determine whether the proposed operator is qualified to serve as
 an operator.
- (8) A sworn statement signed by the presiding officer and
 secretary of the organization attesting to the eligibility of the
 organization for a license, including the nonprofit character of the
 organization.
- (9) Any other information considered necessary by the
 department.

SECTION 5. IC 4-32-9-5.5 IS ADDED TO THE INDIANA CODE
 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 1, 2003]: Sec. 5.5. (a) **The commissioner may issue an annual school
 license to a school if:**

- (1) the provisions of this section are satisfied; and**
- (2) the school:**
 - (A) submits an application; and**
 - (B) pays a fee set by the department under IC 4-32-11.**

**(b) Each officer of a school who signs an application for an
 annual license under this section must live in the county where the
 proposed events will be held.**

**(c) The commissioner or the commissioner's designee may hold
 a public hearing to obtain input on the proposed issuance of an**



C
o
p
y

1 annual school license to an applicant that has never held an annual
2 school license under this article.

3 (d) The first time a school applies for an annual school license,
4 the commissioner shall publish notice that the application has been
5 filed. The notification must comply with IC 5-14-1.5-5 and must
6 contain the following:

7 (1) The name of the school and the fact that it has applied for
8 an annual school license.

9 (2) The location where allowable events will be held.

10 (3) The names of the superintendent, principal, and other
11 executive officers of the school.

12 (4) A statement that any person may protest the proposed
13 issuance of the annual school license.

14 (5) A statement that the department shall hold a public
15 hearing if ten (10) written and signed protest letters are
16 received by the department.

17 (6) The address of the department where correspondence
18 concerning the application may be sent.

19 (e) If the department receives at least ten (10) protest letters
20 concerning an application for an annual school license, the
21 department shall hold a public hearing in accordance with
22 IC 5-14-1.5. The public hearing must be held within one (1) of the
23 six (6) geographic regions designated by the department. The
24 department shall issue a license or deny the application not later
25 than sixty (60) days after the date of the public hearing.

26 (f) A license issued under this section:

27 (1) may authorize the school to conduct allowable events on
28 more than one (1) occasion during a one (1) year period;

29 (2) must state the locations of the permitted allowable events;

30 (3) must state the expiration date of the license; and

31 (4) may be reissued annually upon the submission of an
32 application for reissuance on the form established by the
33 department and upon the licensee's payment of a fee set by
34 the department.

35 (g) Notwithstanding subsection (f)(4), the commissioner shall
36 hold a public hearing for the reissuance of an annual school license
37 if:

38 (1) an applicant has been cited for a violation of law or a rule
39 of the department; or

40 (2) the department finds, based upon investigation of at least
41 three (3) written and signed complaints alleging a violation of
42 law or a rule of the department in connection with the school

C
o
p
y



license, that one (1) or more of the alleged violations:

(A) has occurred;

(B) is a type of violation that would allow the department to cite the applicant for a violation of a provision of this article or of a rule of the department; and

(C) has not been corrected after notice has been given by the department.

(h) If the department is required to hold a public hearing on an application for a reissuance of an annual school license, it shall comply with the same procedures required under this section for notice and for conducting the hearing.

(i) The commissioner may deny a license if after a public hearing the commissioner determines that the applicant:

(1) has violated a local ordinance; or

(2) has engaged in fraud, deceit, or misrepresentation.

SECTION 6. IC 4-32-9-36 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 36. (a) A school holding an annual license issued under section 5.5 of this chapter shall send an annual written notice to the department informing the department of the following:

(1) The estimated frequency of the planned allowable events.

(2) The location or locations where the school plans to hold the allowable events.

(3) The estimated amount of revenue expected to be generated by each allowable event.

(b) The notice required under subsection (a) must be filed before the earlier of the following:

(1) March 1 of each year.

(2) One (1) week before the school holds the first allowable event of the year.

(c) A school shall maintain accurate records of all financial transactions of an event conducted under this section and submit a report to the department within ten (10) days of the event. The report must contain the amount of gross receipts received from the event, the amount of winnings paid to patrons of the event, the amount of expenses attributable to the event, and the amount of net receipts retained from the event.

(d) The department may inspect records kept in compliance with this section.

(e) An allowable event is considered to be an allowable event of a school holding a license issued under section 5.5 of this chapter if the superintendent, principal, or other executive officer of the

C
O
P
Y



1 school approves the event and certifies the financial report
 2 submitted under subsection (c). A club, a group, or other
 3 organization associated with a school may not hold an event under
 4 the school's annual license unless the event is approved by the
 5 school's superintendent, principal, or other executive officer.

6 SECTION 7. IC 4-32-11-3 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) Except as
 8 provided in subsection (b), the license fee that is charged to a
 9 qualified organization that renews the license must be based on the
 10 total gross revenue of the qualified organization from allowable events
 11 and related activities in the preceding year or, if the qualified
 12 organization held a license under IC 4-32-9-6 through IC 4-32-9-10,
 13 the fee must be based on the total gross revenue of the qualified
 14 organization from the preceding event and related activities, according
 15 to the following schedule:

Class	Gross Revenues		Fee
	At Least	But Less Than	
A	\$ 0	\$ 15,000	\$ 25
B	\$ 15,000	\$ 25,000	\$ 75
C	\$ 25,000	\$ 50,000	\$ 200
D	\$ 50,000	\$ 75,000	\$ 350
E	\$ 75,000	\$ 100,000	\$ 600
F	\$ 100,000	\$ 150,000	\$ 900
G	\$ 150,000	\$ 200,000	\$ 1,200
H	\$ 200,000	\$ 250,000	\$ 1,500
I	\$ 250,000	\$ 300,000	\$ 1,800
J	\$ 300,000	\$ 400,000	\$ 2,500
K	\$ 400,000	\$ 500,000	\$ 3,250
L	\$ 500,000	\$ 750,000	\$ 5,000
M	\$ 750,000	\$ 1,000,000	\$ 6,750
N	\$ 1,000,000	\$ 1,250,000	\$ 8,500
O	\$ 1,250,000	\$ 1,500,000	\$ 10,000
P	\$ 1,500,000	\$ 1,750,000	\$ 12,000
Q	\$ 1,750,000	\$ 2,000,000	\$ 14,000
R	\$ 2,000,000	\$ 2,250,000	\$ 16,250
S	\$ 2,250,000	\$ 2,500,000	\$ 18,500
T	\$ 2,500,000	\$ 3,000,000	\$ 22,500
U	\$ 3,000,000		\$ 25,000

39 (b) The license fee charged to a school that renews an annual
 40 school license is two hundred dollars (\$200).

41 SECTION 8. [EFFECTIVE JULY 1, 2003] 45 IAC 18-1-28,
 42 45 IAC 18-3-7, and 45 IAC 18-3-8, each as added by LSA



1 **Document #2-40, are void.**

C
o
p
y

